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Downed Plane Is Linked To Air Charter's Check

Hasenfus Got Funds From Pennsylvania Firm

By Joe Pichirallo
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The cargo plane shot down over Nicaragua earlier this month was purchased in March with a check issued by Southern Air Transport Inc., a Miami-based air charter firm once secretly owned by the Central Intelligence Agency, according to a source familiar with the transaction.

Since the downing of the Fairchild C123K cargo plane on Oct. 5, Southern Air Transport, a firm the CIA says it sold in 1973, has said that it did not own or operate the aircraft. The firm said it had simply provided maintenance assistance to that plane and another C123 cargo plane linked to a secret air supply operation run by rebels, also called contras, fighting the Sandinista government of Nicaragua.

William Kress, a Southern Air Transport spokesman, said yesterday that the company still stands by its statement, but he added that, if the downed plane was purchased with a Southern Air check, the company could have been buying it on behalf of a customer. Kress said he was not able to reach top company officials late yesterday afternoon to verify that the plane was purchased with a Southern Air check.

Harry Doan, the president of a Daytona Beach, Fla., company that is listed as the plane's current owner in Federal Aviation Administration records, said yesterday that he sold the plane on March 30 but he declined to publicly identify the purchaser. Doan said he did not have any contact with William J. Cooper, the pilot who was killed when the plane was downed, or with Corporate Air Services Inc., a firm tied to the contra supply operation.

Doan said that the U.S. Customs Service, which is investigating possible violations of munitions export laws in connection with the plane, has obtained a copy of the canceled check from his bank account.

A Customs Service spokesman in Miami declined to comment on the investigation yesterday.

The report that the downed plane was purchased with a Southern Air Transport check is one of several new disclosures on the secret resupply operation:

■ A Pennsylvania firm named Corporate Air Services made at least three wire transfers of about \$8,000 from a bank near Lancaster, Pa., into the Wisconsin bank account of Hasenfus, the surviving crew member of the downed plane who was captured by the Sandinista government, a member of Hasenfus' legal team confirmed yesterday.

It is not known whether this is the same Corporate Air Services that Cooper told others he worked for.

The firm that transferred the money to Hasenfus was incorporated in Pennsylvania in 1974, according to state records. The Philadelphia Inquirer reported yesterday that the president of Corporate Air Services is Edward T. de Garay, a pilot and flight instructor who lives in Quarryville, Pa., near Lancaster in the southeastern part of the state. The newspaper said he also uses the last name of Garay.

An FAA spokesman said yesterday that an Edward Garay is listed as the manager of a 3,400-foot turf air strip called the Tanglewood Airport and located in Quarryville. De Garay could not be reached for comment yesterday.

■ A preliminary inquiry by the Federal Bureau of Investigation of the downed plane has concluded that no U.S. laws were violated, a Justice Department spokesman said yesterday. The FBI inquiry is separate from the one being conducted by the Customs Service.

■ Salvadoran telephone bills for a San Salvador "safe house" used by those involved in the resupply operation show that several calls were made last month to two private

lines in the White House office of Marine Lt. Col. Oliver L. North, a member of the National Security Council staff who has acted as a liaison on the contra effort, according to an Associated Press report. Quoting an anonymous Reagan administration source, the AP said that North "to his knowledge" never received any phone calls from the safe house.

Another telephone number listed on the bills was that of Southern Air Transport, according to AP.

Southern Air spokesman Kress confirmed yesterday that the company sent parts and repair teams to the Salvadoran air force base in Ilopango to help maintain the downed plane and another C123 linked to the effort. Hasenfus said Ilopango was the center of the resupply operation.

Hasenfus, who like others involved in the operation worked for another CIA-owned proprietary airline, Air America, during the Vietnam war, has said that shortly after Cooper hired him last July, the pilot took him to Southern Air's facilities in Miami to show him the planes involved in the effort.

Kress also confirmed that Southern Air's internal travel unit provided Hasenfus with the airplane ticket he used, but Kress said Southern Air did not pay for the ticket.

The copilot of the downed plane, Wallace B. Sawyer, worked for Southern Air through April of this year, Kress said. He said he was incorrect when he had stated earlier that Sawyer had worked for Southern Air through 1985. Sawyer's logs retrieved from the crash showed that he was on at least one humanitarian aid flight to the contras last Jan. 17.

Sawyer, Cooper and an unidentified Nicaraguan rebel were killed when the plane was shot down.

Southern Air also was hired to fly several humanitarian aid flights to Central America for the contras, which Southern Air and U.S. officials said was separate from the weapons supply operation.

A State Department official said yesterday the humanitarian aid office did not hire Southern Air directly, but the firm could have been a subcontractor to another firm hired by the department.

Staff writer Julia Preston in Miami contributed to this report.